

Theresa Dunkin and Billie Harlan were able to pull some specific numbers on the changes in VBCH's Accounts Receivable due to the change to Managed Care for the Medicaid system in Iowa as of 4/1/16. Attached are some of the items:

- Overall VBCH would have received around **\$200,000 in cash** from Medicaid that **is being held up at the Managed Care Organizations**.
  - o VBCH has had **481 professional claims denied (\$83,736.06)**. This would equate to approximately \$40,000 in cash. 229 have been worked out of Professional Billing (RHCs) WQ (April-June) **They have been worked multiple times with no resolution** (fighting to get T Codes paid)
    - § Before the change in April to new MCOs denial rate for PB WQ was 20 to 30 claims per week (claims would get worked and paid quickly) **(SO NOW 481 CLAIMS COMPARED TO PREVIOUS OF 20-30/WK)**
  - o 177 facility claims denied (\$227,299.86) for Hospital Billing WQ (April – June). This would equate to approximately \$113,000 in cash. They have been worked multiple times with no resolution
    - § Before the change in April to new MCOs denial rate for HB WQ was 20 to 25 claims per week (claims would get worked and paid quickly) **( SO NOW 177 CLAIMS VERSES PREVIOUS 20-25 CLAIMS/WK)**
- Before the change in April Radiology staff had one website to obtain prior authorization. **Now they have three separate sites/phone numbers and prior authorization has longer wait time and much more difficult to get approved.**
- **428 claims** in Professional Billing (RHCs) **paid incorrectly** (228 paid at \$9.77 and 39 paid at \$8.79) for April through June. **(SHOULD PAY ABOUT \$136 INSTEAD OF <\$10 EACH.)**
  - o MCOs do not understand what they are paying.
  - o Sent some of our claims to Davenport
  - o We have received funds for claims that are not ours.
  - o The MCOs that were not in the State of Iowa prior to 4/1/16 do not understand how we are set up.
  - o The MCOs do not get back to you when you call. If they do, they do not know how to solve the problem and take weeks to get back to you.
- VBCH should receive additional funds from Medicaid as we have modeled that Medicaid will have to increase our rates due to volumes decreasing in FYE 2016. Based on how the MCOs have explained the process we will get the new rate in February after submitting the cost report on 11/30/16. VBCH should have been receiving a new higher rate from 7/1/16 to 2/1/17. This retrospective payback will not be happening.
- Iowa Medicaid Enterprises extended the wrap around payment reporting and payment to 10/1/16. It was initially due 7/31/16. VBCH submitted the request by 7/31/16 but then was told they did not submit this properly and Iowa Medicaid Enterprises sent a new form to utilize. This is approximately \$50,000 that is due to VBCH that we would have had in our pocket at the time.

I would like to get the Medicaid days in AR before 4/1/16 and after but need to pull more numbers. I will get that for you soon.

Thank you!

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